Remarks/Arguments

Group I was selected from a telephone conversation with Examiner Yoon on July 11, 2003, for prosecution in this application. Claims 1-4, 6-9 and 23-26 are under consideration.

The present invention as claimed provides stable aqueous dispersions of alkyd or epoxy ester polymers, polyester modified alkyds, SSIPA based alkyds, styrene modified alkyd, or acrylic modified alkyds with isocyanate crosslinking agents that are substantially free of emulsifiers (emulsifiers may adversely affect coating properties) and have low acid values (low acid values will not adversely affect coating properties as compared to high acid values). Hence, the composition of the invention uniquely provides:

- acid values of the polymer of as low as 4 to about 70;
- an aqueous dispersion (as opposed to a solution) with low VOCs because the dispersion has less than about 2 weight percent organic solvent; and
- a stable aqueous dispersion substantially free of emulsifiers with polymers having a small particle size (less than 300 nm) for stability and coating properties.

Rejections under 35 U.S.C. 112

Claims 2-4, 7-9 and 24-26 have been amended to provide a proper antecedent basis. Claims 1, 6, and 23 have been amended to define the term "SSIPA" as "5-(sodiosulfo)isophthalic acid." Please see the amended claims in the **Amendments to the Claims** section.

Rejections under 35 U.S.C. 103(a)

We respectfully disagree that claims 1-4, 6-9, and 23-26 are unpatentable over WO 02/31021 A1 in view of Taniguchi et al. (US 5,202,364) or Nienhaus et al. (US 5,670,600). None of the cited references describe or suggest a stable aqueous dispersion that includes the resin and crosslinking agent as now claimed, no emulsifiers, and low acid values.

WO 02/31021 A1

Applicant respectfully submits that WO 02/31021 A1 is not prior art under MPEP Section 2136.03 II. According to this section, the three conditions for prior art purposes are not met. In this matter, the International Filing Date for WO 02/31021 A1 is September 21, 2001, whereas, the

filing date for this application is April 5, 2001, which disqualifies WO 02/31021 as prior art. As a result, the Examiner has no *prima facie* case of obviousness (MPEP Section 2143).

Taniguchi et al. (US 5,202,364)

Taniguchi et al. does not teach an aqueous dispersion where the polymer consists of alkyd or epoxy ester polymers, polyester modified alkyds, SSIPA based alkyds, styrene modified alkyd, or acrylic modified alkyds with isocyanate crosslinking agents that are substantially free of emulsifiers, have low acid values from 4 to 70, less than 2 weight percent organic solvent, and small particle sizes of less than 300 nm. Rather, '364 discusses aqueous dispersions consisting of water-soluble epoxy-denatured alkyd resins reacted with a second epoxy resin and the addition of hardening agents. The hardening agents are added in minor quantities to the dispersion to prepare a heat-curing or forced drying coating material.

Nienhaus et al. (US 5,670,600)

Nienhaus et al. does not teach an aqueous dispersion where the polymer consists of alkyd or epoxy ester polymers, polyester modified alkyds, SSIPA based alkyds, styrene modified alkyd, or acrylic modified alkyds and isocyanate crosslinking agents that are substantially free of emulsifiers, have low acid values from 4 to 70, less than 2 weight percent organic solvent, and small particle sizes of less than 300 nm.. Rather, '600 discusses an aqueous two-component polyurethane coating composition comprising a water dilutable polyacrylate resin and an isocyanate crosslinking agent with improved properties and/or improved coating films. The polyacrylate resin of this invention is a multicomponent resin combined with an isocyanate resin for automotive applications.

WO 02/31021 A1 in view of Taniguchi et al. or Nienhaus et al.

In view of the above discussion, WO 02/31021 A1 is not prior art for this application. Neither Taniguchi nor Nienhaus teach a aqueous polymer dispersion consisting of alkyds and isocyanate crosslinking agents that are substantially free of emulsifiers, have low acid values from 4 to 70, less than 2 weight percent organic solvent, and small particle sizes of less than 300 nm.

Conclusion

In view of the foregoing, applicants respectfully request reconsideration and allowance of the pending claims as amended.

Respectfully submitted,

Fitch, Even, Tabin & Flannery

By

James P. Krueger
Registration No. 35,234